



Department of Justice

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Eastern District of California

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FORMER CHIEF FINANCIAL OFFICER PLEADS GUILTY TO EMBEZZLEMENT-RELATED CHARGES

FRESNO, Calif.—Acting United States Attorney Lawrence G. Brown announced today that JERRY L. BURNES, 65, of Clovis, Calif., pleaded guilty today to mail fraud and making and subscribing a false tax return.

This case is the product of an extensive investigation by the Internal Revenue Service, Criminal Investigation.

According to Assistant United States Attorneys Mark J. McKeon and Kirk E. Sheriff, who are prosecuting the case, BURNES was the Chief Financial Officer at Lyons Magnus Inc. in Fresno. Lyons Magnus Inc. develops and markets food products and packaging to meet the needs of food-service customers in the United States and foreign countries. BURNES admitted that between 1998 and 2006 he embezzled approximately \$842,000 from Lyons Magnus Inc. to pay his personal credit card bills.

In addition, BURNES admitted he fraudulently failed to declare and include the income he derived from the embezzled funds on his income tax returns for the years 2001 through 2005. BURNES was terminated from Lyons Magnus Inc. in March 2006.

The defendant is scheduled to be sentenced by Judge O'Neill on June 26, 2009, at 8:00 a.m. The maximum sentence BURNES faces is 13 years in prison and a fine of \$500,000. However, the actual sentence will be dictated by the Federal Sentencing Guidelines, which take into account a number of factors, and will be imposed at the discretion of the court.

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